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ABSTRACT

In order to determine similarities and differences in funding programs for rural United States schools, data published in the ERIC/CRESS publication entitled "Special Funding for Small and/or Isolated Rural Schools" was analyzed. Twenty-five of the 49 states for which data were collected have no special funding provisions for small and/or isolated rural schools. Of the 24 states that do provide special funding, 13 are Western states which have greater distances and less population density. Except for California, where different requirements are used, the 24 states use at least one of the following 5 factors to determine funding eligibility: pupil enrollment (16 states); isolation (13 states); number of teachers (6 states); population sparcity (3 states); and local financial effort (2 states). In general, the 24 states distribute financial assistance using one or more of 3 methods: added weighting for basic support (14 states); size adjustments (8 states); and minimum support levels (6 states). The methods of determining program eligibility and providing funds to rural districts are unique for each state and are often very complicated. (Author/SB)

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FINANCING RURAL SCHOOLS

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FINANCING RURAL SCHOOLS

INTRODUCTION

Many rural schools in the United States present some unique problems regarding funding. Pupil sparcity, isolation, and property value are some causes of the funding problems facing rural school boards and administrators.

> "The number of K/1-12 public school systems that are operating in the United States with fewer than 600 pupils far exceeds the number of school systems that operate in any other category. Also, there are twice as many K/1-12 school systems operating with fewer than 300 pupils than there are K/1-12 systems operating with more than 10,000 pupils. Nearly all, if not all of these small K/1-12 school systems are located in rural America." (J. Jess, 1979)

Funding methods and formulas that apply and work adequately for urban centers often do not provide for adequate education of children in rural situations.

In 1970 there were 2,937,047 schoolchildren living in farming areas. The other 11,421,366 rural schoolchildren lived in fishing, forestry, mining, and other nonfarming economy areas.(J. Sher, 1977). Schoolchildren in rural areas are clearly a minority, but a large minority needing equal educational oportunities with those children in other parts of the nation.

When there are very few children in an area the usual state guarantee per pupil does not provide the same quality of education that it does where there is greater population density.

In the recent study done by the Rand Corporation it was discovered that even when rural schools receive the same per capita money, or slightly more, the students still did not receive the same quality of education.

> "This finding must be understood in the context of rural needs and costs. Even with greater per capita share of Title IVB dollars, a small rural district can purchase fewer library books or pieces of instructional equipment than can a populous district with a lower per capita grant. Given that the locally supplied instructional resource base may also be poorer in the small rural district, rural students may remain in a relatively disadvantaged position, despite their greater share of Title IVB funds." (G. Bass, 1979, p. 1)

Some of the more expensive vocational programs available to urban high school students become prohibitive to the rural student. The hiring of specialists to develop these programs is very costly because of the small student to teacher ratio. For instance an auto mechanics class with only eight or ten students to one teacher would be prohibitive. This causes many rural students to be less prepared to go out into the work world.

Rural districts tend to be those lowest in income and cannot easily supply facilities or special equipment or recruit specialists to provide the range of special educational services required by state and federal laws (J. Schrag, 1979). Special programs such as special education for the handicapped, lanuguage programs, music, art, and science are difficult to provide where the numbers are small, distances are great and isolating features exist.

In some areas isolating features can provide and extreem

challenge to providing adequade aducation. Often times good teacners are reluctant to accept a teaching position in a remote area. They tend to be a cultured group and enjoy being where they can participate in the kinds of activities they find stimulating. The reponsibilities of the rural teacher are often quite complex. Usually the teacher training programs are more general in nature and therefore have not prepared the teacher with the specific skills needed for service in rural areas. Opertunities for continued professional training are seldom readily available. Rural children are quite varied in their needs, interests, and abilities, but their curriculum is quite narrow because of the limits of the professional staff (J.A. Thomas, 1974).

Transportation costs are high, and with inflation and energy scarsity the problem is mushrooming.

> "Buses often operate well below total capacity. Furthermore, small buses are often used, resulting in high per pupil cost for equipment and drivers' salaries. Rural schools have little or no control over these costs"(J.A. Thomas, 1974, p. 3).

Funding for transportation often greatly favors districts who are willing to reorganize. In theory, consolidation and reorganization should facilitate greater efficiency and effectiveness. But, in actual practice the evidence shows few discernible differences exist between large and small school districts in administrative efficiency.(J. Sher, 1977).

> "Rural school districts also tend to be the poorest in income. In analyzing United States census data concerning the percentage of households earning under $3,000, in all states except New York, the highest concentration of families were in rural areas. With the exception of New York, New Jersey,

> and Massachusetts, the lowest consentration of families earning over $10,000 were in rural areas. Fewer wealthy people and greater numbers of poor people result in limited ability to pay school and other taxes." (J. Schrag, 1979, p.)

A local tax on property has been the traditional method for supporting our public school systems. "And while rural communities run the gamet from abject poverty to affluence, they tend to be relatively poor in both property wealth and income compared to urban and suburban areas. As a consequence, trying to finance rural schools from local sources has proved a fruitless endeavor" (J. Sher, 1977, p. 125)

> "Unfortunately, however, the cost per student cannot be reduced unless there is an increase in district student numbers, and this is an impossibility in isolated locations. Nevertheless, when comparing cost differences between larger and smaller districts, it is important to weigh the matter in terms of end results, for comparable education may very well both require and justify higher per student costs in the small school." (E. Edington, 1976, p. 13)

Since the yield from property tax in most rural school areas is relatively small there needs to be equalizing support from other areas to provide rural students with an opertunity at equal educational outcome with those from urban and suburban schools.

Equity means different things to different people. Equality of opportunity or access was often realized if a school of any kind was provided regardless of quality. Equal educational treatment has tried to do away with inadequate quality and has given rise to compensatory types of education. They have tried to provide help to make up for deficiencies regarding learning

abilities. With the equal outcome premis, "school services and resources should be deployed so as to assure every normal child, upon graduation from secondary school, an equal opportunity to compete with any other student"(Garms, Gutherie, & Pierce, p. 24, 1978), at least in terms of minimum or basic skills. As shown earlier, equal dollars does not always provide equal outcome.

Some rural school districts are primarily Caucasian, others Black, Chicano, Native American, or Puerto Rican children, often with large influxes of migrant children. The economy in the rural areas are varied. The major school finance problem in Rural America remains the uneven geographic distribution of wealth measured by both property and income (J. Sher, p. 139, 1977)

FUNDING IN THE VARIOUS STATES

A recent study was conducted jointly by the Eric Clearing House for Rural Education and Small Schools at New Mexico State University and the Utah State Department of Education to determine the funding programs that the various states have in operation to help solve the financial problems in rural schools. The raw data for this study is found in the publication Special Funding for Small and/or Isolated Rural Schools which was published by ERIC/CRESS in March 1981. This section of the paper will analyze this raw data to determine similarities and differences in rural funding programs for rural schools.

Dr. Walter Talbot, Superintendent of Public Instruction in Utah, sent a simple survey form to the chief school officer in

in each of the other 49 states. There was very good response. One follow-up letter of reminder was sent to those few states from which responses had not been received as the results was initially synthesized. The ultimate response has been unusually high for a mail survey, with 48 states (96%) returning the form (L. Wright, p. 2-3, 1981).

The two states not returning the form were Hawaii and Washington. Some information about the state of Washington was ootained from the Education Finance Center at the Education Commission of the States(ECS) in Denver, Colo. There is no readily available data on Hawaii.

Special Funding

Twenty-five of the forty-nine states for which data was collected have no special funding provisions for small and/or isolated rural schools. The other twenty-four states have developed various ways to furnish these schools with supplemental aid. This shows that only half of the states in the nation recognize the needs of the rural school. Here is a large minority group for which educational equality is not being provided.

Eligibility

Of the twenty-four states which provide special funding for rural schools thirteen are western states including Alaska. Two factors contributing to western smallness and isolation are greater distances and less population density.

Pupil enrollment, number of teachers, population sparcity,

isolation, and local effort are factors of eligibility for special funding in all the states that give special funding except California. Each state uses one or more of the factors to determine eligibility.

In California relatively low revenue limits and low average daily attendance are the factors of eligibility for special provisions.

Pupil enrollment

Sixteen of the twenty-four states providing special funding determine all or part of eligibility from numbers of pupils. This is the most widly used determiner of eligibility for special funding. Some of the states use specific numbers as determiners.

Four states have district pupil enrollment factors. Arkansas gives special aid for districts less than 350, Texas for districts less than 1,000and including at least 300 sq. miles and less than 300 sp. miles and not more than 1,000 students. New Mexico provides funding for districts with fewer than 4,000 ADM, California for 2,500 or less ADA.

Arizona, Kansas, New Mexico, Colorado, Oregon, North Carolina, Washington, Maine, Minnesota, and South Dakota have single enrollment figures for eligibility any where from 5 or less to 550 pupils. Arizona and Kansas have multiple enrollment categories covering both elementary and secondary schools. Since the collection of this data New Mexico has legislation permitting special funding to schools of 400 or less.

Isolation

Isolation is the second largest determiner of special

funding for rural schools. Thirteen of the twenty-four states which give special funding do so wholly or in part because of isolation factors. Nine of the twenty-four states provide special funding according to numbers of pupils and isolation factors together. Many of the states use only specific distances from other schools as a determiner of isolation, others use distance and/or geographical and climatic conditions.

Idaho and Oregon specify that kindergarten or elementary schools must be at leat 10 miles and secondary schools 15 miles from the nearest similar school, and in Idaho a kindergarten or elementary school must be 10 miles from the superintendent's office. Georgia has several alternative isolation factors including being more than 40 miles from a similar school, or if it would take more than 1½ hours for the majority of students in a school to reach a school less than 40 miles away, or if the school is physically blocked by water, mountains, or cliatic conditions from access to another public early childhood, middle or secondary school for at least 20 days during the school year. Eligibility in Minnesota requires an elementary school to be at least 50 miles away by usual traveled routs from the nearest elementary school. This would limit greatly the numoer of eligiole schools since Minnesota is a fairly well populated state. Pennsylvania, Idaho, Maine, and North Carolina include road conditions, topographic, and climatic conditions for elegioility.

Population sparcity

Nevada, Oklahoma, and Pennsylvania use sparcity alone as a

determining factor for eligibility. Pennsylvania requires less than 50 people per quare mile which greatly reduces aid to rural areas in a state with the population density that it has. The other four states using sparcity use it in conjunction with one or more other eligibility factors. Kansas requires less than four persons per square mile, but also uses pupil enrollment and local effort as factors.

Number of teachers

Only six states use number of teachers or instructional units in their criteria for deciding special funding, and each of these states use it along with one or more of the other eligibility factors discussed. Special aid is given to one teacher schools in Kentucky, North Dakota, and Wyoming. Arizona provides aid to schools with four teachers or less, and Georgia for six teachers or less in elementary schools and ten teachers or less in middle and high schools. Alaska gives special aid to districts with less than twenty-five instructional units of state aid.

Effort

Only two of the twenty-four states providing special funding require that districts meet a minimum financial effort in order to determine eligibility for special aid. Both of these states, Arkansas and Kansas, use it in conjunction with numbers of pupils and isolation or sparcity factors. Eligible districts in Arkansas must levy mill rates at least equal to state average for the previous year. In Kansas, the local effort rate is a part of calculations for special aid.

Assistance

There seems to be three broad groups into which the methods for distributing financial assistance to eligible schools and districts can be put: added weighting for basic support, minimum support levels, and size adjustments - including special payments.

When using the weighting system there is a state foundation plan which guarantees a certain number of dollars to be spent per student. If the state wants to give special aid to students in small and/or isolated conditions they count each student as more then one. How much more than one is determined by the individual states. When using the minimal support level provisions are made for special financial grants or additionsl allowances to small and/or isolated schools. With local effort the district is required to meet a minimum financial effort in order to be eligible.

Weighting

Weighting of some kind is the most popular means for distributing financial aid to small or isolated schools. Fourteen of the twenty-four states providing special funding use some form of weighting. Four of the states use this weighting along with one or both of the other methods.

Arizona, Colorado, New Mexico, and North Dakota use a simple pupil weighting system. South Dakota and Utah use a more complicated weighting system with added pupil numbers in combination with the pupil weighting. Arkansas and Nebraska use a percentage system in which the percentage gets greater as

the pupil density or numbers get less. Kansas and Pennsylvania add more dollars per pupil as the schools get smaller.

Size adjustments

Size adjustment as a means of allocating special funds for small and/or isolated schools is used by eight of the twenty-four states providing special funding. Only three of these states use it exclusively. These are Maine, North Carolina, and Texas. In Maine, North Carolina, and Wyoming additonal dollar allocations per pupil are made available. In Texas and Washington additional certified staff or peronnel units are available to small and isolated schools.

Minimum Support

Six of the twenty four states providing special funding use minimal support for directing funds to small and isolated schools. Georgia and Idaho use this method exclusively. Kentucky, South Dakota, and Washington base their minimum support level on a one classroom unit for each one teacher school regardless of the minimum number of students. In Idaho as the number of students gets smaller the number of required students for a classroom unit is less. Georgia has a minimum number of teachers allocated regardless of how small the school gets.

Summary

A large number of the schools in the United States are rural schools. Since these schools are small, very often the funding they receive does not provide equal quality education

with those in urban and suburban areas. These rural areas are often low income areas, therefore money for equalizing the quality of education must come from the state level.

Only half of the states have any special programs for funding the small rural and isolated school. The greatest amount of special funding for rural schools is done by the western states because of the greater distances and lower population density.

Pupil enrollment, number of teachers, population sparcity, isolation, and local effort are all factors used in determining eligibility for special fund ng. Weighting for basic support, minimal support levels, and size adjustment - including special payments are some of the means of directing special funds to schools after eligibility has been determined.

Each state has developed its own special version of these methods in order to direct the special funds to the districts and schools. Some of these methods become quite complicated.

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